

SANTA BARBARA

THE AMERICAN RIVIERA®

Board of Directors Meeting

Thursday, September 15, 2016

8:30am - 10:00am

Location: Visit Santa Barbara

AGENDA

Guest Speaker - Carlos Lopes, Managing Director - The Hotel Californian (formerly La Entrada)

Action Items

- | | |
|--|-----------------------|
| 1. Call to Order | Gwen Stauffer |
| 2. Antitrust Compliance | Gwen Stauffer |
| 3. Public Comment | Members of the Public |
| 4. Approval of Agenda | Gwen Stauffer |
| 5. Approval of Minutes of July 21 st , 2016 Meeting | Gwen Stauffer |
| 6. Approval of June 2016 VSB Financial Reports | Richard Nahas |
| 7. Approval of June 2016 TBID Financial Reports | Richard Nahas |
| 8. Approval of July 2016 VSB Financial Reports | Richard Nahas |
| 9. Approval of July 2016 TBID Financial Reports | Richard Nahas |
| 10. Approval of Board Replacement: Kristen Weidemann | Gwen Stauffer |

Discussion Items

- | | |
|--|-----------------------|
| 11. Marketing Update | Jennifer Walker |
| • Miss Nothing Marketing Campaign Launch | |
| • Visitor Profile Study | |
| 12. Sales Update | Michelle Carlen |
| • IncentiveWorks | |
| • Sip & Spa Reception | |
| • Chicago Sales Mission | |
| • Australia Sales Mission | |
| 13. Line of Credit | Richard Nahas |
| 14. Board Vacancies | Gwen Stauffer |
| 15. Committee Reports | |
| • TBID Committee | Tom Patton |
| • Marketing Committee | Michael Cohen |
| 16. Community Reports | |
| • Hospitality Santa Barbara | Tom Patton |
| • Santa Barbara Airport | Hazel Johns |
| • City of Santa Barbara | Councilman Gregg Hart |

SANTA BARBARA

THE AMERICAN RIVIERA®

- | | |
|------------------------|--------------------|
| 17. Upcoming Events | Kathy Janega-Dykes |
| • I AM Santa Barbara | September 26 |
| • Mega Mixer | September 29 |
| 18. Staff Reports | (on file) |
| 19. President's Report | Kathy Janega-Dykes |
| 20. Other Business | |
| 21. Adjourn | |

Next Board Meeting: Thursday, October 20th, 2016 8:30am – 10:00am **Location:** Visit Santa Barbara

VISION: VSB is an innovative tourism leader and destination authority that embodies the spirit and personality of Santa Barbara.

NOTICE TO PUBLIC: You are welcomed and encouraged to participate in this meeting. Public comment is taken (3 minutes maximum per person) on items listed on the agenda when they are called. Public Comment on items not listed on the agenda will be heard at the meeting as noted on the agenda. Comments on controversial items may be limited and large groups are encouraged to select one or two speakers to represent the opinion of the group. The order of Agenda items is listed for reference and may be taken in any order deemed appropriate by the Committee. The Agenda provides a general description and staff recommendations; however, the Committee may take action other than what is recommended.

BROWN ACT NOTICE: Government Code 54950 (The Brown Act) requires that a brief description of each item to be transacted or discussed be posted at least 72 hours prior to a regular meeting. Action may not be taken on items not posted on the agenda. Meeting facilities are accessible to persons with disabilities. If you require special assistance to participate in the meeting, notify Lynda Dees at 805-966-9222 at least 48 hours prior to the meeting.

ANTITRUST COMPLIANCE POLICY

It is the policy of Visit Santa Barbara (VSB) to fully comply with the antitrust laws of the United States and the State of California. In order to assure full compliance, the following policies and procedures are to be followed by all employees and members of VSB and by representatives of any members of the organization.

At any meeting of the membership of VSB or any committees of VSB, or at any meeting where any employee of the organization is present or where VSB is in any way involved, there shall be no discussion of the following:

- A. Prices or rates for hotel or motel rooms, food and beverage, transportation, sightseeing, or other services or facilities of members, including but not limited to prices or rates to be charged to convention groups, tour groups or tour operators, including off-season prices or discounts;*
- B. Changes or proposed changes in the prices or rates of hotel or motel rooms, food and beverage, transportation, sightseeing, or other services offered to customers of the hotel and motel industry;*
- C. Formulas, procedures, or means for the establishment and determination of prices, rates, discounts, terms, and conditions or rental;*
- D. Plans of individual members covering increases or reductions in capacity or distribution or marketing of particular products or services.*
- E. Restrictions on legal advertising or promotional activities.*
- F. Matters relating to actual or potential suppliers or customers that might have the effect of excluding them from any market or of influencing others not to deal with them.*

SANTA BARBARA

THE AMERICAN RIVIERA

Board of Directors Meeting Thursday, September 15, 2016 Meeting Minutes

Attending: Kristin Battaglia, Michael Cohen, Barry Dorsey, Ed Galsterer, Richard Good, Steve Hinkley, Morgen McLaughlin, Richard Nahas, Ryan Parker, Gwen Stauffer, Luke Swetland, Richard Yates, Hazel Johns, Kristen Weidemann

Absent: Karen Earp, Paul Hoyle, Tara Jones, Shaun O'Bryan, Tom Patton, Pamela Webber, Gregg Hart

Staff: Kathy Janega-Dykes, Lynda Dees, Janet Ames

Location: Visit Santa Barbara
500 E. Montecito Street
Santa Barbara, CA 93103

Speaker: Carlos Lopes, Managing Directors – The Hotel Californian

Carlos Lopes spoke to the group about the history and update of The Hotel Californian (formerly the La Entrada Project). The hotel was originally built in 1925 and the new project is scheduled to open in May 2017. The hotel will have 123 rooms, each 400-500 sq. feet, and will feature two restaurants; a signature seafood restaurant and a more casual café restaurant with lower price points. There will also be a third restaurant which they will look into leasing. The hotel will also have a rooftop pool, 4,000 sq. foot spa, 250 person capacity ballroom and 4 meeting rooms. In addition, they will have 10,000 sq. foot of retail space for lease. Carlos also presented a few artists renderings of what the hotel, rooms, lobby and spa will look like once complete.

- 1. Call to Order**
Gwen Stauffer called the meeting to order at 8:55am.
- 2. Antitrust Compliance**
It is the policy of Visit Santa Barbara to fully comply with the laws of the United States and the State of California.
- 3. Public Comment**
No public comment.
- 4. Approval of Agenda**
Gwen Stauffer motioned to approve the agenda of the September 15th, 2016 Board meeting; Richard Yates moved to approve; Richard Good seconded; and the motion was passed unanimously.

SANTA BARBARA

THE AMERICAN RIVIERA

5. **Approval of Minutes of the July 21, 2016 Board meeting**
Gwen Stauffer motioned to approve the minutes of the July 21st, 2016 Board meeting; Barry Dorsey moved to approve, Michael Cohen seconded; and the motion was passed unanimously.
6. **Approval of June 2016 VSB Financial Reports**
Richard Nahas reported on the FY end (June) financials. He noted that the variance in the commission line was due to the contract change with jackrabbit. Year-end income is on target.

Richard Good moved to approve the June 2016 VSB financials; Barry Dorsey seconded; and the motion was passed unanimously.
7. **Approval of June 2016 TBID Financial Reports**
Richard Nahas reported that similar to VSB financials the TBID year-end budget was over budget due to higher than expected revenue.

Ed Galsterer moved to approve the June 2016 TBID financials; Michael Cohen seconded; and the motion was passed unanimously.
8. **Approval of July 2016 VSB Financial Reports**
Richard Nahas reported on the July financials were the start of the new fiscal year and as such there would be swings in variance due to timing of programs and expenses.

Richard Good moved to approve the July 2016 VSB financials; Michael Cohen seconded; and the motion was passed unanimously.
9. **Approval of July 2016 TBID Financial Reports**
Richard Nahas reported that the revenue for the TBID financials were actual with all three agencies reporting on time. YTD is over budget and variances are based on timing.

Richard Good moved to approve the July 2016 TBID financials; Michael Cohen seconded; and the motion was passed unanimously.
10. **Approval of Board Replacement: Kristen Weidemann**
Gwen introduced the group to Kristen Weidemann who is now the General Manager of Paseo Nuevo. She is interested in replacing the seat previously held by Michael Morgan.

Ed Galsterer moved to approve the replacement of Kristen Weidemann; Richard Good seconded; and the motion was passed unanimously.
11. **Marketing Update**
Kathy updated the group on the Miss Nothing marketing campaign launch and presented a few slides regarding the background and strategy of the new campaign. Kathy also updated the group on two new surveys to be conducted this year. Currently, a new visitor's profile study is being conducted through August of next year and results will be reported quarterly. The final

SANTA BARBARA

THE AMERICAN RIVIERA

results of the survey should be available by fall of next year. Additionally, a new cruise ship study will be conducted later this year.

12. Sales Update

Michelle Carlen updated the group on statistics from the current fiscal year reporting that there is a year over year increase of 25% in lead production and booking at 192% increase over last year. Additionally, she spoke about the IncentiveWorks show, the Sip & Spa Event and the Chicago and Australia sales missions.

13. Line of Credit

Richard Nahas reported that with the hire of a new agency, there has been a change in billing and payments are now required up front. A line of credit is being researched to assist with cash flow due to timing and he has also scheduled a call to discuss the payment schedule with Cutwater.

14. Board Vacancies

Gwen reminded the group of the open seat left by Matthew La Vine. Any recommendations for a replacement in the lodging industry should contact Kathy.

15. Committee Reports

- TBID Committee
TBID Committee will be meeting September 29th.
- Marketing Committee
New campaign launch.

16. Community Reports

- Hospitality Santa Barbara
No update.
- Santa Barbara Airport
Hazel reported that the Dallas flight is doing well, and that month to month flights are up 2.4% and YTD is up 2.6%. She also noted that United will be adding an additional Denver flight which should begin next week. They have also contracted Clear Channel to help with advertising in the terminal.
- City of Santa Barbara
No update.

17. Upcoming Events

- I AM Santa Barbara September 26th
- Mega Mixer September 29th

18. Staff Reports (on file)

19. President's Report

SANTA BARBARA

THE AMERICAN RIVIERA

Kathy mentioned to the group that the PR/Communications team would now be submitting media highlights which include recent coverage and articles in the Board packet.

20. Other business

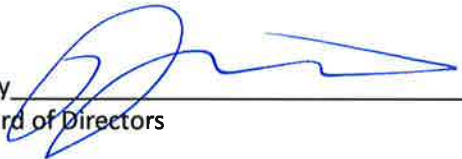
No other business.

21. Adjourn

With no other business, the meeting was adjourned at 9:55am.

Minutes approved by:

Richard Yates, Secretary
Visit Santa Barbara Board of Directors



Date

10-20-16